

Telenor Satellite, Inc. (“TSI”)

214 Global Facilities-Based Authority and Global Resale Authority Application

Attachment 1

Response to Question 9 – Eligibility for Streamlined Processing

TSI qualifies for streamlined processing under the FCC’s Rules, which allow for streamlined processing where a carrier demonstrates that: “The affiliated destination market is a WTO Member country and the applicant agrees to be classified as a dominant carrier to the affiliated destination country...”¹ The affiliated destination market here is Norway, a WTO member country, thus fulfilling the first part of the § 63.12 (c) requirement.

In its December 2001 *Order and Authorization*, the FCC approved the assignment of various Title II and Title III licenses from COMSAT Corporation to Telenor Satellite, Inc.² In authorizing the indirect ownership of Telenor Satellite, Inc. by Telenor ASA, owned in part by the Kingdom of Norway, the FCC found that the indirect ownership would not cause harm to competition.³ In addition, the FCC concluded that Telenor would be classified as a dominant international carrier on the U.S. -- Norway route.⁴

Norway’s status as a WTO member country and Telenor’s acceptance of the dominant carrier classification for the U.S. – Norway route fulfills both requirements for streamlined filing under 47 C.F.R. § 63.12 (c).

Response to Question 10

n/a

Response to Question 11

Pursuant to 47 C.F.R. 63.18 (i) – (m), TSI certifies the following:

¹ 47 C.F.R. § 63.12 (c)(1)(v).

² See *In the Matter of Lockheed Martin Global Telecommunications et al., Applications for Assignment of Section 214 Authorizations, Private Land Mobile Radio Licenses, Experimental Licenses, and Earth Station Licenses*, Order and Authorization (hereinafter *Order and Authorization*), 16 FCC Rcd 22897 (2001), at ¶ 57 and Appendix A.

³ *Id.* at ¶ 57. Specifically, the FCC stated, “[W]e conclude that it will not serve the public interest to prohibit the proposed indirect foreign ownership of Telenor Satellite in excess of the statutory 25 percent benchmark.” *Id.*

⁴ See *id.* at ¶¶ 44-46. In addition, the FCC found that, “with the exception of the U.S.-Norway route, Telenor Satellite warrants classification as a non-dominant international carrier.” *Id.* at ¶ 44.

- (i) Telenor Satellite, Inc. is 100% owned by Telenor Satellite Services Holdings, Inc., a Delaware Corporation. Telenor Satellite Services Holdings, Inc. is in turn 100% owned by Telenor Satellite Mobile AS, a Norway Corporation. Telenor Satellite Mobile AS is in turn 100% owned by Telenor Satellite Mobile Ventures AS, a Norway corporation. Telenor Satellite Mobile Ventures AS is in turn 100% owned by Telenor Satellite Services, AS, a Norway corporation. Telenor Satellite Services, AS is in turn owned by Telenor Satellite Mobile Holding AS, a Norway corporation. Telenor Satellite Mobile Holding AS is in turn 100% owned by Telenor ASA, a Norway corporation. Telenor ASA is 78% owned by the Kingdom of Norway, and 22% of the shares are listed on NASDAQ and the Oslo Stock Exchange and held by members of the public.

In its December 2001 Order approving the assignment of various Title II and Title III licenses from COMSAT Corporation to Telenor Satellite, Inc., the FCC authorized the indirect ownership of Telenor Satellite, Inc. by Telenor ASA, concluding that ownership by the Kingdom of Norway of more than 25% of the shares of Telenor ASA would not cause harm to competition.⁵

Telenor ASA also has direct or indirect share ownership of 25 percent or more of the following other foreign carriers:

<u>Carrier</u>	<u>Home Country</u>	<u>% Shares Held by Telenor ASA</u>
Telenor Telecom	Norway	100
Telenor Mobil	Norway	100
Telenor Global Services	Norway	100
Extel GSM	Russia	49
Sonofon Holding A/S	Denmark	53.5
ProMonte	Montenegro (FRY)	44.1
Vimpel Com	Russia	28.98
Stavtelesot	Russia	49
Kyivstar	Ukraine	61.9
Pannon GSM	Hungary	100
Grameen Phone	Bangladesh	46.4
DiGi.com	Malaysia	61
Total Access		
Communication PCL	Thailand	40.3
OAO Comincom/Combella	Russia	74.75

- (j) Applicant TSI seeks, under the requested grant of global facilities-based and resale authority under Section 214, to provide global international telecommunications service,

⁵ See *id.* at ¶¶ 35-36. It should be noted that the current ownership chain described above is slightly different than the chain described in the FCC Order due to minor Telenor corporate restructuring. Such minor changes are permitted under the Commission's Order. See *id.* at ¶ 36.

including to the following destination countries in which Telenor ASA either is a foreign carrier or controls a foreign carrier:

Norway:	Telenor Telecom, Telenor Mobil, and Telenor Global Services
Denmark:	Sonofon Holding A/S
Hungary:	Pannon GSM
Malaysia:	DiGi.com
Russia :	OAO Comincom/Combella
Ukraine	Kyivstar

- (k) Of the six countries listed under paragraph (j), four (Norway, Denmark, Hungary, and Malaysia) are WTO members. In the fifth and sixth, Russia and Ukraine, the affiliated carriers lack market power, by virtue of the fact that neither has greater than 50% market share in their respective country's international transport and local access market.
- (l) Applicant TSI, through its ultimate parent, Telenor ASA, is affiliated with the foreign carriers listed in response to section (i) above. Except in Norway, the affiliated foreign carriers are non-dominant carriers and no combination of the affiliated foreign carriers have greater than 50% of the market share in the international transport and local access markets in any country in which they operate. In Norway, the affiliated foreign carriers are dominant carriers. In the event of resale by TSI of the international switched services of an unaffiliated U.S. carrier in Norway, TSI will file the quarterly traffic reports required by the Commission's Rules with respect to such resale activity.⁶
- (m) Except for the affiliates of Applicant TSI in Norway, all of the affiliated foreign carriers are non-dominant carriers and no combination of the affiliated foreign carriers have greater than 50% of the market share in the international transport and local access markets in any country in which they operate. TSI therefore qualifies for non-dominant classification and should be regulated as such with respect to all markets except Norway.⁷

Response to Question 12

Norway, Denmark, Hungary, Malaysia, Russia, and Ukraine.

Response to Question 13

Applicant seeks authority to operate globally, including those destinations listed above in Question 12.

⁶ See *id.* at ¶ 45; see also 47 C.F.R. § 43.61.

⁷ See *supra* note 3.

Response to Question 15

Applicant has previously received authority under 214 of the Act, and uses the INMARSAT satellite system to offer worldwide service.⁸

⁸ See *Order and Authorization* at ¶ 57 (granting TSI's applications for international Section 214 authorization).